SG615-2
11/9/88

OCTOBER 1988

OREGON LABOR TRENDS

INDICATORS

UNEMPLOYMENT RATE

Oregon (Seas. Adj.)

Sept.	1988	6.1
Aug.	1988	6.0
Sept.	1987	5.8

United States (Seas. Adj.)

Sept.	1988	5.4
Aug.	1988	5.6
Sept.	1987	5.9

WAGE AND SALARY EMPLOYMENT INDEX

Oregon (1977=100)

Sept.	1988	122.1
Aug.	1988	122.2
July	1988	121.5
June	1988	120.6
May	1988	120.6

PRODUCTION WORKER AVERAGE HOURLY EARNINGS

Oregon

Aug.	1988	$10.45
July	1988	$10.76
Aug.	1987	$10.42

PRODUCTION WORKER AVERAGE WEEKLY HOURS

Oregon

Aug.	1988	38.6
July	1988	39.0
Aug.	1987	39.5

CONSUMER PRICE INDEX (CPI)

1982-84=100
ALL URBAN CONSUMERS

Portland-Vancouver

Jan-June 1988	113.6
Yearly change	3.4%
Annual Average 1987	110.9
Yearly change	2.5%

United States

Sept. 1988	119.8
Yearly change	4.2%
Annual Average 1987	113.6
Yearly change	3.6%

Portland Hotline 221-4132

A MONTHLY VISITOR

Duane Ackerson

The grim-faced man lowered himself into a seat near my desk. For some reason, he picked the most uncomfortable chair in the office.

"Just the facts, sir." He extended his billfold so I could see the I.D. card. Then he was back at near attention, sitting rigidly like a cadet in a military school mess waiting for the all clear to eat.

I mulled things a moment (this being October, the month of mulled cider), trying to decide what facts to feed him. It was hard to imagine someone with such a tight mouth, like the base line on a graph, swallowing anything, or even having much interest in doing so. He seemed like a walking abstraction, someone who could live on air.

"Well, it's this way, officer," I said as he crossed his legs. He did this, not in a gesture of relaxation, but to make it easier to write on the notepad he had just extracted from his left breast pocket. "September was a pretty quiet month. The seasonally adjusted unemployment rate went up one tenth of a point to 6.1, and the nonagricultural wage and salary employment index slipped by one-tenth. The latter was down because the number of payroll jobs were a bit fewer than expected."

"Just a moment, citizen. I may have to write up whoever was responsible for these declines in an official report. Where did the incident occur?"

"I guess I should have mentioned that detail. This happened in Oregon."

"Oregon: now we're getting somewhere. Does this month have a record?"

"Well, yes, it does. Nonfarm payroll employment reached 1,158,300, which was an all-time record. You no doubt remember the recession at the start of the decade?"

SEASONALLY ADJUSTED UNEMPLOYMENT RATES*

OREGON and THE UNITED STATES: 1979 to 1988

*Civilian Labor Force Only

"Stick to the specifics, please."

"Well, this increase in the employment level was 19.2 percent, or 186,300 jobs, higher than the worst September of that recession, September 1982. It was also a jump of 6.5 percent, or an increase of 70,300, from the pre-recession high in September of 1979."

"1979? Forget it, chum. That's nine years ago. You're beyond the statute of limitations on that one."

Logging activity was sharply curtailed by dry weather and forest fires.

"Well, let's get back to the recent past, then. September, though not a bad month in general for manufacturing, was not a good month for logging activity. In fact, the employment level of 9,600 was the lowest for any September in over ten years. Generally, the unusually dry weather and forest fires reduced logging activity. Something similar happened in preserved fruits and vegetables: the weather and an early harvest shortened the processing season, resulting in 1,200 workers being laid off in September. As a result, employment in this industry was 500 less than the level a year ago."

"Forest fires. Hmmmmm...probable arson. Possible investigation."

"Actually, officer, I don't think the figures this month warrant that kind of investigation. In fact, considering that we've approached the anniversary of the October 1987 stock market crash, both the national and Oregon economies seem to be holding up."

"Hold up?"

"Maybe I should re-phrase that. The U.S. seasonally adjusted unemployment rate in September, at 5.4%, was down 0.2 from August. Meanwhile, in Oregon, nonfarm wage and salary employment was not only at a record high, as I previously testified, but 44,500 above September of last year. And though total manufacturing, mainly due to the setbacks mentioned earlier, was only 2,900 higher than a year ago, total nonmanufacturing was up by 41,600. In fact, business services' current employment of 48,400 is a record. This industry, which is made up of twenty-five varieties of service to businesses, including temporary help agencies, building maintenance, and management and public relations consultants, has added 20,000 jobs in a mere five years."

"Aren't you forgetting something, citizen?"

"Huh? Oh yes...this industry also includes detective and protective services."

I thought I saw a flicker of emotion pass over his face, though it was gone quickly, like a temperature reading on a tv weather map.

"Yeah, that's right. Bunch of fast-talking gumshoes, trying to make things tough for us hard-working public servants."

"I guess that about covers the situation, officer." I glanced toward the door, hoping he'd take the hint.

He uncrossed his legs and stood. Then he put the notepad down in front of me on the desk.

"Sign here."

When I had done so, the notepad went back into the breast pocket. The line of his mouth seemed to untighten slightly.

"It's citizens like yourself who report things that make our jobs easier." He extended his hand, and we shook hands. Then he pivoted on his heel and headed for the door, stopping suddenly as he reached it and turning back toward me.

"By the way, my partner will be back next month to take another sworn statement."

The door closed quietly behind him. A moment later, my secretary rushed in two hours late. Speaking around the gum in her mouth, she asked, "Who was that guy I saw coming out of the office?"

"His I.D. said 'Joe September'."

RESIDENT OREGON LABOR FORCE

	SEP.[1] 1988	AUG.[2] 1988	CHANGE	%CHANGE	SEP.[5] 1987
CIVILIAN LABOR FORCE[3]	1,423,700	1,432,300	-8,600	-0.6	1,399,700
UNEMPLOYMENT	76,600	76,600	0	0.0	71,300
PERCENT OF LABOR FORCE	5.4	5.3	XXX	XXX	5.1
SEASONALLY ADJUSTED PERCENT	6.1	6.0	XXX	XXX	5.8
TOTAL EMPLOYMENT[4]	1,347,100	1,355,700	-8,600	-0.6	1,328,400

[1]Preliminary.
[2]Revised.
[3]Includes employed and unemployed individuals 16 years and older. Data are adjusted for multiple job-holding and commuting.
[4]Includes nonagricultural wage and salary, self-employed, unpaid family workers, domestics, farm workers, and labor disputants.
[5]Due to revised estimating procedures between December 1987 and January 1988, data for 1988 and that of previous years are not strictly comparable.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT (BY PLACE OF WORK)

INDUSTRY	SEP.[1] 1988	AUG.[2] 1988	SEP. 1987	CHANGE FROM AUG. 1988	CHANGE FROM SEP. 1987
TOTAL[3]	1,158,300	1,148,300	1,113,800	10,000	44,500
WAGE & SALARY EMPLOYMENT INDEX[4]	122.1	122.2	117.4	XXX	XXX
TOTAL MANUFACTURING	218,600	221,900	215,700	-3,300	2,900
DURABLE GOODS	155,400	157,300	153,000	-1,900	2,400
LUMBER & WOOD PRODUCTS	66,800	68,700	69,500	-1,900	-2,700
LOGGING & SAWMILLS	32,300	34,600	35,700	-2,300	-3,400
VENEER & PLYWOOD	17,600	17,200	17,900	400	-300
MILLWORK & STRUCTURAL WOOD	11,200	11,400	10,500	-200	700
MOBILE HOMES	1,700	1,700	1,500	0	200
OTHER WOOD PRODUCTS	4,000	3,800	3,900	200	100
FURNITURE AND FIXTURES	2,600	2,600	2,500	0	100
STONE, CLAY, GLASS & CONCRETE	4,000	4,000	3,700	0	300
PRIMARY METALS	10,300	10,500	9,600	-200	700
BLAST FURNACES, IRON & STEEL	6,100	6,100	5,700	0	400
NONFERROUS METALS	4,200	4,400	3,900	-200	300
FABRICATED METALS	11,400	11,300	10,800	100	600
FABRICATED STRUCTURAL METALS	5,200	5,000	4,800	200	400
OTHER FABRICATED METALS	6,200	6,300	6,000	-100	200
MACHINERY	16,400	16,200	15,700	200	700
ELECTRICAL EQUIPMENT & SUPPLIES	15,400	15,300	13,800	100	1,600
TRANSPORTATION EQUIPMENT	13,400	13,500	11,900	-100	1,500
INSTRUMENTS & RELATED PRODUCTS	11,700	11,800	12,100	-100	-400
MISCELLANEOUS MANUFACTURING	3,400	3,400	3,400	0	0
NONDURABLE GOODS	63,200	64,600	62,700	-1,400	500
FOOD & KINDRED PRODUCTS	28,500	29,900	29,200	-1,400	-700
CANNING & PRESERVING	17,600	18,800	18,100	-1,200	-500
OTHER FOOD PRODUCTS	10,900	11,100	11,100	-200	-200
TEXTILE MILL PRODUCTS	1,900	1,900	1,800	0	100
APPAREL	3,100	3,000	2,500	100	600
PAPER & ALLIED PRODUCTS	8,900	8,900	9,300	0	-400
PRINTING & PUBLISHING	13,500	13,500	12,800	0	700
CHEMICALS & ALLIED PRODUCTS	2,100	2,200	2,100	-100	0
PETROLEUM REFINING	500	500	500	0	0
RUBBER & PLASTIC PRODUCTS	4,300	4,300	4,000	0	300
LEATHER PRODUCTS	400	400	500	0	-100
TOTAL NONMANUFACTURING	939,700	926,400	898,100	13,300	41,600
MINING & QUARRYING	1,500	1,500	1,500	0	0
CONSTRUCTION	41,100	41,500	38,600	-400	2,500
TRANSPORTATION, COMMUNICATIONS, & UTILITIES	60,300	60,200	59,400	100	900
TRANSPORTATION	38,900	38,600	37,900	300	1,000
RAILROAD	3,800	3,800	4,000	0	-200
TRUCKING & WAREHOUSING	21,700	22,200	21,800	-500	-100
OTHER TRANSPORTATION	13,400	12,600	12,100	800	1,300
COMMUNICATIONS	12,700	12,800	12,600	-100	100
UTILITIES	8,700	8,800	8,900	-100	-200
TRADE	301,900	299,700	283,500	2,200	18,400
WHOLESALE TRADE	76,900	75,900	71,500	1,000	5,400
DURABLE GOODS	44,700	44,800	41,500	-100	3,200
NONDURABLE GOODS	32,200	31,100	30,000	1,100	2,200
RETAIL TRADE	225,000	223,800	212,000	1,200	13,000
GENERAL MERCHANDISE	28,700	28,500	27,100	200	1,600
FOOD STORES	38,300	38,300	34,800	0	3,500
AUTO DEALERS & SERVICE STATIONS	27,800	27,700	26,500	100	1,300
OTHER RETAIL TRADE	130,200	129,300	123,600	900	6,600
FINANCE, INSURANCE, & REAL ESTATE	74,600	75,000	72,300	-400	2,300
BANKING & CREDIT AGENCIES	24,100	24,300	23,700	-200	400
OTHER FINANCE, INSURANCE, & REAL ESTATE	50,500	50,700	48,600	-200	1,900
SERVICES	258,700	256,600	245,400	2,100	13,300
HOTELS & PERSONAL SERVICES	27,400	28,200	27,000	-800	400
HEALTH SERVICES	79,300	78,400	75,200	900	4,100
OTHER SERVICES	152,000	150,000	143,200	2,000	8,800
GOVERNMENT	201,600	191,900	197,400	9,700	4,200
FEDERAL GOVERNMENT	31,500	31,800	31,300	-300	200
STATE GOVERNMENT	56,200	56,300	53,900	-100	2,300
EDUCATION	19,800	19,500	19,100	300	700
OTHER STATE	36,400	36,800	34,800	-400	1,600
LOCAL GOVERNMENT	113,900	103,800	112,200	10,100	1,700
EDUCATION	67,700	56,000	67,400	11,700	300
OTHER LOCAL	46,200	47,800	44,800	-1,600	1,400
LABOR - MANAGEMENT DISPUTES	1,100	3,800	100	-2,700	1,000

[1]Preliminary.
[2]Revised.
[3]Includes full and part time nonfarm wage and salary workers in pay periods including the 12th of the month. Proprietors, self-employed, private household workers and armed forces excluded. Note: Estimated in cooperation with the U.S. Bureau of Labor Statistics and Employment and Training Administration. All data are based on the 1972 Standard Industrial Classification (SIC) codes as amended by the 1977 supplement.
[4]Total nonagricultural wage and salary employment, seasonally adjusted, and indexed to 1977. Data on the earlier index (1972 = 100) can be converted to the 1977 base period by multiplying by a factor of .8264, the ratio between 1972's Annual Average Employment (774,300) and that of 1977 (936,900).

THE IMPLICATIONS OF DEMOGRAPHIC TRENDS FOR OREGON AND THE LABOR FORCE

Ann Hanus

(Editor's note: Ann Hanus is the State Economist in the Office of Economic Analysis, Oregon Executive Department. This article is an abstract from a larger paper on demographic trends and will focus on the labor force.)

The crystal ball of the future is demographics. It yields clues about the issues that we will face and the ones that are already here. An aging work force combined with the current "birth dearth" will affect issues ranging from the composition and quality of the work force to rising health care demand, education, and housing.

Oregon's population trends mirror the U.S. We experienced the "baby boom" of the 1950s and early 1960s, and saw the number of births fluctuate due to wars, influenza, and the availability of birth control and abortion (see graph). Oregon differs from the U.S. by having a slightly greater proportion of males, smaller household size, and a more homogeneous population (i.e., fewer minorities and less diverse ethnicity). Overall, Oregon should mirror future U.S. demographic trends. Over two-thirds of the state's residents live in the Willamette Valley ranging from Portland to Eugene.

The regions with the highest percentage of elderly tend to be coastal counties, as well as Marion, Josephine, Jackson, Wasco, Sherman, Gilliam, Wheeler, Crook, and the far eastern counties of the state. The counties with the greatest proportion of youth are Jefferson, Malheur, Morrow, Yamhill, Columbia, Umatilla, Harney, Union, and Clackamas.

Oregon's population has fluctuated in response to business cycles. We rose rapidly during the 1970s but witnessed a loss of population during the early 1980s (see graph). Eastern Oregon, Lake, Klamath, Coos, Linn, Lane, Wasco, Sherman, Gilliam, and Wheeler counties numbered among the losers. Contrary to popular belief, the state's population fluctuations were due mostly to changes connected with in-migration rather than out-migration. In other words, most of the loss of population during the early 1980s occurred because fewer people migrated into the state, and births were not sufficient to compensate for the loss.

The current demographic outlook centers on the movement of the baby boom. This generation was born between 1946 and 1964 and is now between the ages of 23 and 42. The baby boom generation represents about one-third of the U.S. population and totals 70 percent more people than were born during the preceding two decades.

Indeed, by the year 2030, the baby boom will be transformed into the "Great Grandma Boom."

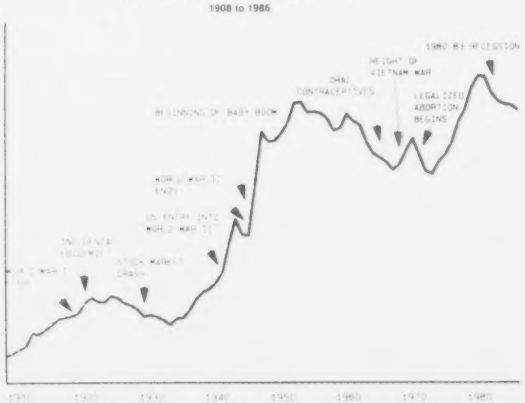
By the year 2010, the baby boom generation will begin to reach age 65, and society and the economy will have to adjust to a large elderly population. Indeed, by the year 2030, the baby boom will be transformed into the "Great Grandma Boom." This boom will be disproportionately composed of women since women outnumber men 2:1 for those 75 years and over.

Between the years 2010 and 2030, growth will virtually halt for any age group other than the elderly. In terms of the percentage of voting public, the elderly rise from 20 to 25 percent by 2010. By the year 2020, the U.S. will have nearly as many people over 60 as under 20 years of age. Furthermore, the size of the elderly population will be at least 2-1/2 times the size of the elderly population in 1980.

Although the baby boom is growing older, the principal cause of the aging of the American population is the decline in fertility. At the turn of the century, the U.S. fertility level was estimated at eight children per woman; today it stands at 1.9. The 1.9 level means that we are beneath the level (estimated at 2.1) to keep our population constant. While the baby boomers are spawning a baby boom echo with the number of newborns hovering at a post-baby boom high, the fertility rate has hit an historic low.

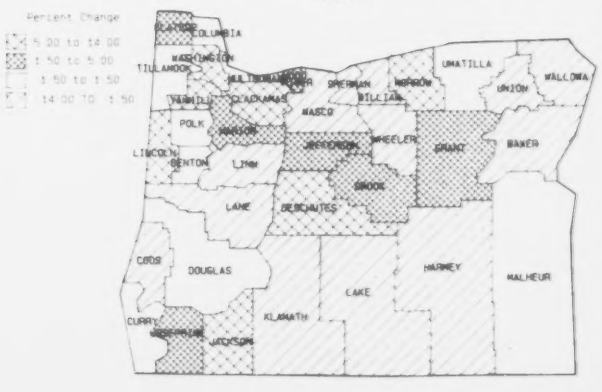
This year should be the peak for the baby boomlet according to the Census Bureau's middle series projections. According to Bureau projections, births to teenagers should decline through 1995, reflecting the lower birthrate of the mid-1970s. The number of births to women aged 20-29 should peak this year and account for 60 percent of births. The number of births to women 30-34 will rise through 1990 and for those aged 35-39, births will increase through 1995. After that, however, births to women in their 30's -- about one-fourth of all births -- should decline as the baby boom enters middle age.

NUMBER OF LIVE BIRTHS, OREGON
1908 to 1986



Source: Oregon Vital Statistics

PERCENTAGE CHANGE IN POPULATION
1980 to 1987



Source: Center for Population Research and Census
Portland State University

American women, though, have not been keeping up with the Bureau's projections. Many demographers believe that fertility levels will remain low and could drop further. The entrance of large numbers of women into the work force, together with modern contraceptives which became widely available in the 1960s and 1970s, have afforded women the choice to be more financially independent and to control their fertility.

Labor Force Implications

The labor force will be shaped primarily by three factors: the aging of the baby boomers, the shortage of entry level workers due to the birth dearth, and the influx of women into the work force. If the number of immigrants increases significantly, this influx could offset somewhat the shortage of entry level workers. Higher proportions of Hispanic and Asian immigrants may alter the ethnic composition of Oregon as well as the nation.

Together, women, minorities, and immigrants will account for about 80 percent of the new additions to the U.S. work force between now and the year 2000.

The Census Bureau, putting together current fertility and mortality trends, believes that the U.S. population and labor force will continue to grow, but more slowly than in recent decades. More women will enter the work force, but the rate of increase will taper off. Together, women, minorities, and immigrants will account for about 80 percent of the new additions to the U.S. work force between now and the year 2000.

A slower rate of labor force growth suggests tighter labor markets, especially for entry level workers. On the other hand, baby boomers face strong competition among themselves for jobs, and evidence of this competition is apparent in unemployment rates. Traditionally, 25-34 year olds have experienced an unemployment rate that was lower than the rate for all workers. This has been less so in recent years as the baby boomers completely took over that age category. The decline in the number of teenagers, however, has reduced some of the upward pressure on overall unemployment.

The leading edge of the baby boom has just turned 40 and will not be retiring for another 30 years. Over that time, employers will face a curious demographic twist in their internal labor markets. According to Carnevale and Gainer, that twist involves a tripartite split in labor market conditions. First, there is likely to be a decline in both the quantity and quality of entry level employes. At the same time, there is likely to be a glut of mid-career baby boomers whose careers will plateau, giving rise to worrisome frustration in the work place. An added complication will be the growing number of older employes who will block the higher rungs on career ladders because firms cannot afford to retire them.

The increase of middle-aged workers may put great pressure on seniority systems, with traditional expectations of advancement based on age being undermined by demographics. Also, older workers who lose their jobs will have a particularly difficult time matching previous salaries when they find new jobs.

Due to the scarcity of educated entry level workers, employers will face increased costs of upgrading prospective hires through training and development, and providing compensation and career development packages to attract the best talent. "Cost creep" is likely to be another problem if employers create too many "good" jobs in order to satisfy demands for advancement and engage in alternative work arrangement to siphon off employe frustration. Yet, employers may find themselves less able to create more "good" jobs if competitive pressures are high to keep costs down.

Employers may try to encourage older employes to retire early in order to provide financial resources and promotions for mid-level and entry level employes. Continued early retirement, and entry level shortages could create contrary incentives favoring retention of older employes.

Although growth in the work force will slow, two-income households may encourage skilled, higher paid individuals to retire early, just at the time that their skills are coming into short supply. Increased use of unemployment and disability insurance systems may also result. Today, about one-third to one-half of those who retire early say they did so because of health or lack of employment prospects. If this same proportion holds, the growth in elderly will strain disability systems.

A benefit of the tighter entry level market may mean that more opportunities will attract "at risk" youth into the labor force. The biggest road block for them will be illiteracy. Tighter labor markets should foster greater use of the abilities of minorities, women, and the handicapped. A narrowing of occupational and earnings gaps could also occur.

An aging work force may imply greater experience, stability, reliability, and productivity, but it may increase the rigidity of the economy. An older, more stable work force will be less likely to move than a younger one. As the baby boomers reach the middle years of mortgages and children in school, their willingness to pull up stakes in response to new opportunities or changing conditions will decline. Similarly, this more mature work force may be harder to train and retrain than today's employes -- at the very time when such training is essential.

Basic educational competencies and literacy will become ever more important. For children, this may mean much greater emphasis on early childhood education. Among teenagers and young adults, it may require a concerted effort to eliminate illiteracy. Adults will need lifelong training and retraining.

Former Secretary of Labor William E. Brock estimates that in the early 1990s, probably 75 or 80 percent of new jobs will require some kind of post-secondary training experience. The risk of creating two classes of workers -- one highly skilled, highly employable, and greatly advantaged economically; and the other class almost unemployable and poor -- is great.

Studies have revealed that the labor market's response to the rising educational level of an expanding labor force was a relative weakening of the labor market position for high school graduates, compared with those with higher levels of education. Although unemployment rises and falls for all educational groups over the course of the business cycle, the higher educated group tends to suffer less unemployment.

Bureau of Labor Statistics Commissioner Janet Norwood questions whether the jobs that will likely be generated in the future will accommodate the emerging labor force. On the one hand, the projected strong growth in highly skilled professional, managerial, and technical occupations will make it easier for the growing proportion of college-educated workers to find the jobs for which they will be searching. On the other hand, the shift away from factory operative and labor occupations may make it more difficult for persons with less education to find a job.

Clearly, the changes in our population will permeate nearly every aspect of our lives. Demographics will influence not only the nature of the labor force, but also the course of the economy and our social, educational, and health care systems as well. If we understand the implications, we can establish policies and take actions to help mold the future.

YOUTH - OREGON'S ANSWER TO THE FUTURE

Don Steward

The Employment Division is spearheading a project which will focus on the major problems and pressures facing Oregon's most valuable resource - our youth. At the request of Ted Coonfield, Assistant Project Director of the Student Retention Initiative, the Employment Division is taking the lead in producing a special targeted statistical report and analysis on youth. The report will also include an interpretation of their future potential as recruits to the labor market in the year 2000. A companion piece to this publication will be an illustrative brochure that will be used by the Governor as he continues to build awareness of the Children's Agenda.

Oregon's future is dependent upon our youth's successful transition to adulthood and the labor force. Because of that, it is imperative that the public be made aware of the obstacles facing youth in order to insure their future success. The publication and brochure will present straightforward facts and statistics that reflect the current status of Oregon's youth population and provide a forecast of the future. Targeted areas will include student dropout rates, statistics on teen pregnancy, crime, drug and alcohol abuse, facts on mental health, ethnic background and poverty levels. It is the intent of this project to paint a comprehensive picture of the world that influences the future of our youth--Oregon's most valuable resource.

Parents as well as decisionmakers at the state and local level will benefit most from these publications. Clarifying all the factors affecting our youth is certainly something we all need in order to understand the challenges they face.

Data for the brochure has been gathered by six divisions within the Department of Human Resources which include the Employment Division, Children Services Division, Mental Health Division, Health Division, Adult and Family Services Division, and the Drug and Alcohol Abuse Programs. Other contributing state agencies are Juvenile Services Commission, Department of Corrections, Oregon Economic Development Department, and Department of Education.

Being the lead agency for the project, the Employment Division collected, edited and organized the data for inclusion into the brochure. As a contribution to the Children's Agenda, General Services is covering the cost of printing the brochure. Statewide distribution of the brochure is anticipated to begin in November. The full youth report should be available in early 1989. □

AVERAGE HOURS AND EARNINGS OF OREGON INDUSTRIAL PRODUCTION WORKERS[1]

	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	Aug.[2] 1988	July[3] 1988	Aug. 1987	Aug.[2] 1988	July[3] 1988	Aug. 1987	Aug.[2] 1988	July[3] 1988	Aug. 1987
TOTAL MANUFACTURING[4]	$403.37	$419.64	$411.59	38.6	39.0	39.5	$10.45	$10.76	$10.42
Durable Goods	414.26	428.76	426.52	38.5	39.3	40.2	10.76	10.91	10.61
Lumber & Wood Products	402.80	429.18	433.49	37.4	38.7	40.4	10.77	11.09	10.73
Logging & Sawmills	426.49	465.73	461.09	35.9	38.3	40.2	11.88	12.16	11.47
Veneer & Plywood	397.95	422.07	426.21	37.9	38.9	41.1	10.50	10.85	10.37
Millwork & Structural	353.57	351.55	372.81	40.5	39.5	40.7	8.73	8.90	9.16
Mobile Homes	326.82	314.71	318.42	40.1	37.2	36.6	8.15	8.46	8.70
Other Wood Products	387.38	411.29	418.48	37.5	39.7	40.2	10.33	10.36	10.41
Furniture & Fixtures	331.13	327.71	319.69	37.5	35.2	35.8	8.83	9.31	8.93
Primary Metals	508.13	507.36	505.68	40.2	42.0	42.0	12.64	12.08	12.04
Fabricated Metals	395.50	399.92	380.57	40.9	41.4	40.4	9.67	9.66	9.42
Machinery (Ex Electrical)	425.37	438.59	450.06	38.6	39.3	40.4	11.02	11.16	11.14
Nondurable Goods	375.58	393.84	376.96	38.8	38.2	38.0	9.68	10.31	9.92
Food & Kindred Products	301.48	321.64	290.82	38.9	37.4	37.0	7.75	8.60	7.86
Canning & Preserving	260.52	274.54	242.48	39.0	37.0	36.3	6.68	7.42	6.68
Other Food Products	399.38	401.19	404.42	38.7	38.1	38.7	10.32	10.53	10.45
Textile Mill Products	220.61	219.79	217.33	32.3	31.0	33.8	6.83	7.09	6.43
Apparel	210.28	206.64	225.90	32.5	31.5	37.4	6.47	6.56	6.04
Paper & Allied Products	608.39	652.08	630.92	41.9	44.0	40.6	14.52	14.82	15.54
Printing & Publishing	462.38	434.07	450.89	37.9	37.1	37.7	12.20	11.70	11.96
Construction[4]	557.67	545.97	502.46	38.7	38.1	37.0	14.41	14.33	13.58
Communications & Utilities[5]	525.16	540.89	523.06	40.9	41.8	40.8	12.84	12.94	12.82
Trade[5]	299.81	316.30	304.32	34.5	35.7	35.1	8.69	8.86	8.67
Wholesale Trade	389.82	420.03	411.16	36.5	39.0	38.0	10.68	10.77	10.82
Retail Trade	252.50	262.48	249.98	33.4	34.0	33.6	7.56	7.72	7.44
Banking & Insurance[5]	322.20	342.99	327.08	36.0	38.8	37.9	8.95	8.84	8.63
State & Local Government	400.79	401.11	388.59						

[1]Figures are average gross hours and earnings of full and part-time worked or paid for, including overtime and shift premium pay. Prepared in cooperation with the U.S. Department of Labor. All data are based on the 1972 Standard Industrial Classification (SIC) codes.

[2]Preliminary

[3]Revised

[4]Data for production workers only and exclude administrative, supervisory (above working foremen), technical, sales and office personnel.

[5]Data for nonsupervisory employees only, excluding proprietors and executive personnel. Data for retail trade excludes eating and drinking places.

LABOR SURPLUS AREAS

Jeff Hannum

Labor surplus areas are areas with high unemployment rates to which Federal procurement contracts can be directed. Rather than classifying these areas by metropolitan area or by labor market area, the U.S. Department of Labor classifies them on the basis of civil jurisdictions. At present these are defined as all cities with a population of at least 25,000 and all counties.

A civil jurisdiction is classified as a labor surplus area when its average unemployment rate is at least 20% above the average unemployment rate for the Nation during the previous two calendar years. Two exceptions may occur during periods of high or low national unemployment. During periods of high national unemployment (i.e. a rate above 8.3%), an area is classified as a labor surplus area if its average rate is 10% or more. During periods of low national unemployment (i.e. a rate below 5.0%), a 6.0% 'floor' comes into effect. No area with an unemployment rate of less than 6.0% would be considered a labor surplus area.

Under certain exceptional circumstances, an area not meeting any of the above criteria may be considered a labor surplus area if a significant increase in unemployment takes place which is not reflected in the rate for the previous two years.

In 1986-87, the average unemployment rate for the U.S. was 6.7%. Therefore, the qualifying rate for labor surplus areas is 8.0% (1.2 times 6.7%). The following table lists 24 areas in Oregon which were designated labor surplus areas by the U.S. Department of Labor for the period October 1, 1988 to September 30, 1989. In the previous 12 month period, there were 33 labor surplus areas in Oregon. Employers located in a labor surplus area, or which agree to carry out a substantial portion of the contract in one of these areas, currently qualify for bidding preference on certain Federal procurement contracts.

Employers interested in bidding on Federal contracts should consult the **Commerce Business Daily** which lists Federal contracting requirements and indicates those to be awarded under preference procedures. The Auburn Business Service Center of the General Services Administration can provide additional information concerning Federal contracting opportunities in Alaska, Idaho, Oregon and Washington.

Contact:

General Services Administration
15th and C street, SW
Auburn, WA 98001
Attn: Wiletta Brown
Ph. (206) 931-7956 □

Oregon Labor Surplus Areas
Eligible for Federal Procurement Preference
October 1, 1988 through September 30, 1989

Albany City in Linn County	Lake County
Baker County	Linn County less Albany City
Columbia County	Malheur County
Coos County	Morrow County
Crook County	Sherman County
Deschutes County	Springfield City in Lane County
Douglas County	Tillamook County
Grant County	Umatilla County
Harney County	Union County
Hood River County	Wallowa County
Josephine County	Wasco County
Klamath County	Wheeler County

NEW PUBLICATIONS

The 1988-89 edition of the **Occupational Outlook Handbook** is a valuable source of career information. Published every two years by the U.S. Bureau of Labor Statistics, it describes what workers do, working conditions, the training and education needed, earnings, and expected job prospects for selected occupations covering a wide spectrum of the Nation's economy. The cost of this publication is $22 (make checks payable to "Superintendent of Documents"). Copies of the publication and further ordering information is available from the new U.S. Government Printing Office Bookstore in Portland at the following address:

1305 SW First Ave.
Portland, OR. 97201
ph. (503) 221-6217

Did you ever wonder how important a particular industry was to Oregon's economy or any one of its counties in terms of number of firms, employment, or payroll? If so, you may want to obtain a copy of the **Oregon Covered Employment and Payrolls by Industry and County, 1987** publication which will be available in November. At the state level, firm counts, employment and payroll data are shown at the four-digit SIC level (Standard Industrial Classification codes). County data is shown at the two-digit industry level. If you are not already on the mailing list and would like a copy of this publication please contact:

Oregon Employment Div. R&S
Attn: Denise
875 Union St. NE
Salem OR. 97311
Phone: (503) 378-8654
Toll free: 1-800-237-3710
Ext. 8-8654 □

EMPLOYERS' CORNER - TRADE ADJUSTMENT ASSISTANCE

John Pegg

Mary's world looked bleak when she lost her job manufacturing electronic parts. After the aluminum plant closed, Michael had no job and no skills to market. Today, Mary is a highly trained emergency room nurse. Michael has a license to practice professional diving and all the work he can handle.

These people are part of the help that Trade Adjustment Assistance brings to Oregon workers whose jobs are affected by increased foreign imports. Under the Trade Act Congress passed in 1974, workers whose employment is adversely affected by increased imports may apply for a variety of valuable benefits and services.

For workers who find they need new skills or training to improve their job prospects, the Trade Act can change lives.

Mary and Michael took advantage of training. For workers who find they need new skills or training to improve their job prospects, the Trade Act can change lives. It provides for the full cost of training, including tuition, fees, and other related expenses. Training can include on-the-job training, vocational/technical school training, or formal college or university training. Remedial or basic training is also available if necessary. While individuals are attending school, subsistence allowances are available for transportation costs and living expenses if the training facility is out of the area. Most individuals receive unemployment insurance or special Trade Readjustment Assistance (TRA) weekly payments while in training.

For displaced workers who have marketable skills, job search allowances are available to cover expenses in seeking employment out of the area. If workers obtain a job outside the normal commuting area, the Trade Act offers money for relocating to the new area. Relocation allowances cover 90% of all the reasonable expenses of moving family and household goods. To help the worker settle in the new area of employment, the Trade Act provides a lump sum payment of up to $800.

Funding for the program comes entirely from money appropriated by Congress through the Department of Labor. As part of a new comprehensive trade act recently passed by Congress, the Trade Act received additional funding and placed a new emphasis on retraining affected workers in useful, productive occupations. The local Employment Service office explores, identifies, and develops for workers a whole range of supportive services designed to return the worker to productive employment.

How do people qualify? The first step in establishing group eligibility for workers whose jobs have been affected by foreign imports is to file a petition with the Department of Labor in Washington, D.C. Petitions may be filed by a group of three or more workers, their union, or an authorized representative. Any Employment Division office can provide a petition and information for filing for group eligibility.

Money that comes to Oregon through the Trade Act benefits the community as well as the recipients. Since 1985, Oregon has paid over three million dollars in TRA weekly payments to workers. Over two million dollars have been obligated for putting individuals in approved training programs, assisting with job searches, and relocating households to new areas of employment.

If you would like more information about Trade Act benefits, or if you know of workers who might be eligible because of the adverse effect of imports, contact the Employment Division. There is a designated TRA representative in each local office. □

OREGON LABOR TRENDS

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Send comments, questions, and address changes ATTN: Jeff Hannum, R&S-LMI or Phone (503) 378-2736 or toll free 1-800-237-3710 ext. 8-8657.

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STATE OF OREGON
EMPLOYMENT DIVISION
DEPARTMENT OF HUMAN RESOURCES
875 UNION STREET N.E.
SALEM, OREGON 97311

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